

August 8, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum

LIBRARY

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★ AUG 14 1934 ★

U. S. Department of Agriculture

This memorandum will be issued daily. It will contain declarations of policy, regulations, interpretations, and abstracts of all important communications, announcement of changes in location and duties of the personnel, and other information of general interest. It is recommended that it be read carefully and held for future reference.

LONG DISTANCE TELEPHONE CONVERSATIONS SHOULD BE TAKEN STENOGRAPHICALLY. PLEASE HAVE A SECRETARY LISTEN ON AN EXTENSION.

NEW REGULATIONS AND INTERPRETATIONS SHOULD BE KNOWN IMMEDIATELY. Please refer letters, telegrams, telephone conversations, and conferences involving important points to Mr. Pratt or Mr. Browne for incorporation in this record.

A. RULINGS

Amendments to Administrative Rulings not previously published:

AMENDMENT TO ADMINISTRATIVE RULING NO. 1, CLAUSE (d).

Amendment No. 6, Irrigated Farms -- Administrative Ruling No. 1, Clause (d), is hereby amended by adding at the end thereof immediately preceding the words: "And provided in any event that --," the following:

Provided that any producer who is an owner, landlord, cash tenant or managing share-tenant and who operates or controls an irrigated farm located in a section generally recognized as an irrigated area, on which cotton is to be grown in 1934, may be a party to a 1934 and 1935 Cotton Acreage Reduction Contract regardless of whether he fulfilled an Acreage Reduction Contract in 1933 or whether such a contract was fulfilled on the farm which he is operating in 1934.

Approved May 4, 1934.

AMENDMENT TO ADMINISTRATIVE RULING NO. 1, PARAGRAPH (d)

Amendment No. 7. In the event that a producer failed to grow cotton in the years specified in any of the above clauses (a), (b), and (c), but (1) will farm land in 1934 on which a 1933 contract was fulfilled with the Secretary of Agriculture, and/or (2) has himself fulfilled a 1933 contract with the Secretary of Agriculture and will farm in 1934 land which was planted to cotton in 1933, even though no 1933 contract covering such land was fulfilled, he may enter into a contract covering such land and shall have as his base acreage the acreage planted to cotton on such land in 1933 or, if cotton was planted in 1932 and 1933 on such land, the average acreage so planted in 1932 and 1933, and the average yield per acre shall be fixed by the County Committee in accordance with the 1928 to 1932 yields of other similar lands in the community.

Approved July 16, 1934.

August 8, 1934.

C. P. S.
Internal Memorandum

AMENDMENT TO ADMINISTRATION RULINGS 9 AND 12

Amendment No. 8 - Modification of restrictions because of drought.

The 1934 and 1935 Cotton Acreage Reduction Contract is hereby modified for 1934 to permit:

1. Planting, pasturing, and harvesting for unrestricted use as livestock feed and/or sale for livestock feed, of pasture, hay, and roughage crops, on any land covered by any such contract, including the rented or contracted acres.
2. Harvesting on rented acres of the seed of soybeans, cow peas, forage sorghums, millet and Sudan grass, and meadow and pasture crops such as alfalfa, lespedeza, sweetclover and clovers, and grasses such as orchard grass, Dallis grass, rescue grass, carpet grass and similar grasses and legumes for use or sale as seed.
3. When compliance with such contracts is checked, contract signers may be required to designate any acreage of such crops planted or harvested under this ruling.

Approved August 2, 1934.

B. PERSONNEL

- (1) Men in the field from this office:

Mr. E. L. Deal - Jackson, Mississippi - Return August 10
Mr. I. W. Duggan - Archer City, Texas
Mr. Hamilton Ralls - Athens, Georgia
Mr. H. H. Thibodeaux - Breaux Bridge, Louisiana

- (2) Field men now in Washington:

Mr. O. M. Clark)
Mr. W. G. Crandall) Field Representatives from Clemson College, S.C.
are preparing a study of the Processing Tax on cotton products
for use in the Educational Program - Room 3971, Phone 2067.

- (3) Mr. George Bishop, Mr. Charles Carroll and Mrs. Julia Speer are representing this section at the Contract Records Section, 419 Old Post Office Building, Phone 4217.

Mr. L. H. Gunter is handling the mailing of Interim Certificates, in the absence of Mr. Deal.

C. O. Pratt

Administrative Assistant

August 9, 1934.

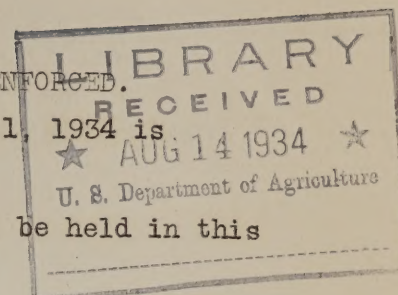
COTTON PRODUCTION SECTION

Internal Memorandum

THE SECRETARY ANNOUNCED THE BANKHEAD ACT WILL BE VIGOROUSLY ENFORCED.

The official estimate of the Cotton Crop as of August 1, 1934 is 9,195,000 gross bales or 8,790,000 Bankhead bales.

All Certificates of Compliance (cotton 20 and 21) will be held in this office under lock.

A. REGULATIONS

Substitute following for second sentence of second paragraph relating to Table 2, page 34, Form No. B.A. 19, "Instructions and Regulations Pertaining to the Cotton Act of 1934."

"The figures shall be inserted for all three years (or the year or years the farm was in actual cultivation) in Columns A and B, and in Column C for the year or years in which cotton was grown. The figures for all three columns to be entered in line 4 shall be the totals for only those years in which cotton was planted. The averages in line 5 will be obtained by dividing such totals by the number of years in which cotton was planted."

B. PERSONNEL

(1) (a) Men in the field from this office:

Mr. E. L. Deal - Jackson, Mississippi - Return August 10
Mr. I. W. Duggan - College Station, Texas
Mr. Hamilton Ralls - Athens, Georgia

(b) Mr. B. H. Thibodeaux returned yesterday.

(2) Field men now in Washington:

Mr. O. M. Clark)
Mr. W. G. Crandall) Room 3971, Phone 2067

(3) Correspondence

All correspondence for the signature of the Secretary which comes to the Cotton Section will be handled by Mr. R. F. Croom.

C. O. Pratt

Administrative Assistant.

COTTON PRODUCTION SECTION

Internal Memorandum

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 August 10, 1934.
 ★ AUG 14 1934 ★
 U. S. Department of Agriculture

A. RULINGS

The following are new allotments for certain counties in New Mexico:

Chaves	4,633,090	Lea	54,740
Curry	92,170	Luna	130,160
Dona Ana	13,248,630	Otero	141,230
Eddy	7,992,450	Quay	236,220
Harding	26,900	Roosevelt	672,090
Hidalgo	70,190	Sierra	103,890

B. PERSONNEL

- (1) Mr. D. W. Watkins left last night - Itinerary:
 Nashville, Tenn. c/o C. E. Brehm - August 10-11
 Clemson College, S.C. c/o W. W. Long - August 12-14
 Raleigh, N. C. - August 15-

Mr. E. L. Deal - Baton Rouge, Louisiana
 Mr. I. W. Duggan - Lubbock, Texas
 Mr. Hamilton Ralls - Athens, Georgia

- (2) Field men now in Washington:
 Mr. O. M. Clark)
 Mr. W. G. Crandall) Room 3971, Phone 2067

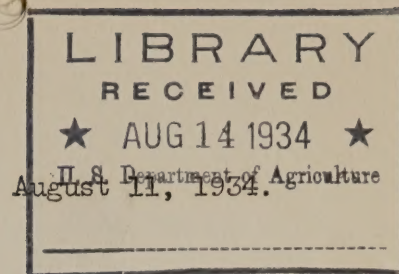
- (3) Mr. Reynoldson will handle all contact with Mr. Preston,
 the Printing Section.

C. OFFICE REGULATIONS

- (1) All memoranda leaving the Cotton Production Section must bear the signature and/or initials of the Chief or Acting Chief.
- (2) Note to stenographers and all clerks handling telegrams: Hereafter, all telegrams written for the signature of the Secretary, or of the Administrator, should have stapled on the original telegram in the upper lefthand corner a 3x5 slip of white paper bearing the following notation:
 FOR THE SIGNATURE OF THE SECRETARY or FOR THE SIGNATURE OF THE ADMINISTRATOR. This will prevent telegrams from leaving the Telegraph Office without bearing the proper signature, as has occurred several times recently.

C. O. Pratt,
 Administrative Assistant.

#4



COTTON PRODUCTION SECTION

Internal Memorandum

A. INTERPRETATIONS

The 1934 Contract does not modify the relationship between landlord and tenant as to the division of products grown on rented acres, nor the proceeds from the sale thereof when permitted.

C.H.A. to Freeman - August 8.

County Committeeman should not approve Compliance Certificates where producer has not removed from cultivation land equal in fertility to that planted to cotton. Committeemen should receive and forward to Washington satisfactory application for adjustment of rental payments before certifying compliance in such cases.

C. H. A. to C. R. Heaton - August 7.

B. PERSONNEL

(1) Men in field:

Mr. E. L. Deal - Baton Rouge, Louisiana
Mr. I. W. Duggan - Due back today
Mr. Hamilton Ralls - Auburn, Alabama
Mr. D. W. Watkins - Nashville, Tennessee

(2) Field men in Washington:

Mr. O. M. Clark)
Mr. W. G. Crandall) Room 3971, Phone 2067

C. OFFICE REGULATION

Occupants of each room or bay must shut windows and turn off fans and lights before leaving at night.

C. O. Pratt,
Administrative Assistant

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★ AUG 30 1934
U. S. Department of Agriculture
August 13, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum

- A. Blank
B. PERSONNEL

(1)a Men in field

Mr. C. A. Cobb, Stoneville, Mississippi
Return via New Orleans. Washington August 16.
Mr. E. A. Miller - Itinerary:
Knoxville, Nashville, Memphis, Tennessee
Little Rock, Arkansas - 10 days
Mr. D. W. Watkins, Clemson College, S. C.
Mr. I. W. Duggan
Mr. Hamilton Ralls, Birmingham, Alabama

b Mr. E. L. Deal returned yesterday

(2) Field men in Washington:

Mr. O. M. Clark)
Mr. W. G. Crandall) Room 3971, Phone 2067
Mr. E. C. Westbrook)

(3) Mr. C. H. Alvord is Acting Chief.

C. O. Pratt,
Administrative Assistant

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★ AUG 20 1934
U. S. DEPARTMENT OF AGRICULTURE

August 15, 1934.

Cotton Production Section

Internal Memorandum

A. No new rulings.

B. PERSONNEL

(1)a Men in the field:

Mr. Cobb - New Orleans, Louisiana
Mr. Watkins - Raleigh, North Carolina
Mr. Miller - Knoxville, Tennessee
Mr. Ralls - Camden, Alabama.

b Mr. Duggan - due back from Texas today

(2) Field men now in Washington:

Mr. O. M. Clark)
Mr. W. G. Crandall) Room 3971, Phone 2067
Mr. E. C. Westbrook)

(3)a Mr. Alvord is Acting Chief

b "In order to expedite the handling of problems of policy in connection with the Bankhead Act, I am asking the committee, composed of Mr. Watkins, Mr. Thibodeaux, Mr. Reynoldson and Mr. Alvord, to receive all questions coming to the Cotton Section requiring study and analysis, and to recommend to the members of the Cotton Section proper solution and answer to such questions and problems. I am asking each member of the Section to refer such problems to this committee before issuing any answer or deciding upon any policy.

This committee will call upon other members of the Section for information and suggestions as required."

(Signed) C. A. Cobb, Chief

C. O. Pratt,
Administrative Assistant.

10. 1. 1951

Letter to Mr. J. H. ...

Enclosed ...

Dear Mr. J. H. ...
I am very pleased to hear from you and
thank you for your letter of the 1st inst.
regarding the ...

I am sure you will find the ...

... very interesting and I hope you will
enjoy it very much. I am sure you will
find it very useful.

I am sure you will find it very useful.

I am sure you will find it very useful.
I am sure you will find it very useful.
I am sure you will find it very useful.
I am sure you will find it very useful.

I am sure you will find it very useful.
I am sure you will find it very useful.

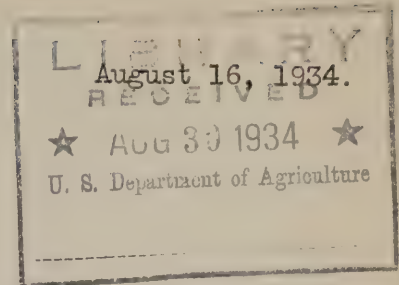
I am sure you will find it very useful.
I am sure you will find it very useful.

I am sure you will find it very useful.

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COTTON PRODUCTION SECTION

Internal Memorandum



Opinions of the Legal Advisory Committee and legal opinions concerning the operations of this Section are maintained in the files by Miss Shaw. It is suggested that members of the staff consult these files before answering letters involving legal points.

A. INTERPRETATIONS

The execution of a Power of Attorney for a farm operated by a managing share tenant will not bind any other farm owned by the landlord.

CHA to E. D. Evans - August 14, 1934.

B. PERSONNEL

(1)a Men in the field:

Mr. Cobb - Atlanta, Georgia - Return Friday
Mr. Watkins - will go to College Station, Texas
Mr. Miller -
Mr. Ralls - Alabama (Monroeville)

b Mr. Duggan returned yesterday

(2) Field men now in Washington:

Mr. O. M. Clark)
Mr. W. G. Crandall) Room 3971, Phone 2067
Mr. E. C. Westbrook)

(3) Mr. C. H. Alvord is Acting Chief.

Miss Edith Colman returned yesterday after a long illness.

C. O. Pratt,
Administrative Assistant.

#8

August 17, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum

A. No Rulings

B. PERSONNEL

(1)a Men in the field:

Mr. Watkins - College Station, Texas

Mr. Miller

Mr. Ralls - Auburn, Alabama

b Mr. Cobb is due back today.

(2) Field men now in Washington:

Mr. O. M. Clark)

Mr. W. G. Crandall) Room 3971, Phone 2067

Mr. E. C. Westbrook)

C. OFFICE REGULATIONS

Members of the staff are requested to mark material for filing with the word "file," their initials and the date.

It is requested that the secretaries turn over copies of the speeches written by officials of this Section to Mr. Smith, who will have them mimeographed and distributed within the Section.

C. O. Pratt,
Administrative Assistant.

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August 18, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum

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No. 9

Please do not write letters directing plowing up of cotton for compliance. A new administrative ruling is in process of being prepared to cover excess planting.

A. RULINGS

1. "In accordance with the facts set forth in the memorandum dated August 8, transmitted through the office of the Acting Administrator, I hereby vest Mr. C. A. Cobb, Chief of the Cotton Production Section, Commodities Division, with the authority to cancel on my behalf all tax-exemption certificates which have been lost or damaged or are unaccounted for by the Executive Secretaries of the State Allotment Boards, or other officers handling such certificates until they have been receipted for by the producers."

/s/ H. A. Wallace, Secretary.

2. The Secretary of the National Allotment Board announces that revised Bankhead quotas for the following states have been released: Arizona, New Mexico, Missouri, Kentucky, North Carolina, and Texas. Preliminary quotas for other states will stand as final.

Any one desiring copies of the revised quotas should request them from Mrs. Wheeler.

B. PERSONNEL

1. Men in the field:

Mr. Watkins - College Station, Texas
Mr. Miller
Mr. Ralls

2. Field men now in Washington:

Mr. Clark)
Mr. Alexander) Room 3971, Phone 2067

C. O. Pratt,
Administrative Assistant.

(6)

(6)

THE UNIVERSITY OF CHICAGO

DEPARTMENT OF CHEMISTRY

RESEARCH REPORT
No. 1000

BY
J. H. HARRIS
AND
R. M. WATSON

CHICAGO, ILLINOIS

1954

August 21, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum

A. LEGAL OPINION

Legal interpretation item three, middle of page, Form No. B.A.8 is as follows:

"A producer who has not signed a 1934 and 1935 Cotton Acreage Reduction Contract, in making application under the Bankhead Act for allotment and tax-exemption certificates, agrees only to comply with the conditions and limitations on the production of agricultural commodities by him as Secretary of Agriculture may from time to time prescribe to assure the cooperation of such producer in the reduction programs of Agricultural Adjustment Administration to be carried out in the crop year in which such application is made. Such a producer does not thereby undertake to comply with conditions and limitations to be carried out in a future crop year in which another application would be made. No conditions and limitations applicable to a non-signer have been prescribed for 1934. Although Secretary has authority to prescribe them, no plan has been proposed for making such conditions and limitations on non-signers for present crop year."

Joint Telegram from HBT to Chairmen, State Allotment Boards, August 17, 1934.

B. PERSONNEL

1. In field:

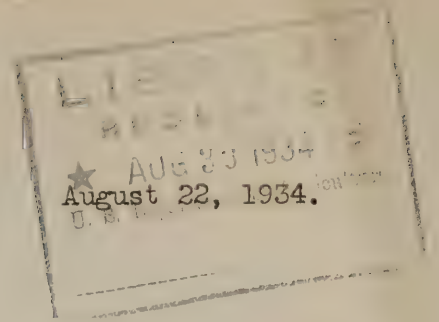
Mr. Watkins - - - - - Return Wednesday
Mr. Miller - Dallas, Texas
Mr. Ralls - Hogansville, Georgia
Mr. Thibodeaux - making a circuit of State Allotment Boards

Mr. Clark - with Mr. Thibodeaux
Mr. Crandall - working with Mississippi State Allotment Board
Mr. Martin - working with Arkansas State Allotment Board

C. OFFICE REGULATIONS

All incoming telegrams must be copied in triplicate before delivery to the addressee.

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COTTON PRODUCTION SECTION

Internal Memorandum

A. NO RULINGS

B. PERSONNEL

1. In field:

Mr. Watkins - due to return today

Mr. Miller

Mr. Ralls - Hogansville, Georgia

Mr. Thibodeaux - making a circuit of State Allotment
Boards

Mr. Clark - with Mr. Thibodeaux

Mr. Crandall - working with Mississippi State
Allotment Board

Mr. Martin - working with Arkansas State Allotment
Board

C. OFFICE REGULATIONS

Plans are being worked out to expedite the handling of correspondence. Incoming letters will be referred to those men of the staff most familiar with the particular subject involved. Detailed information will be given in a later report on the routing of the mail.

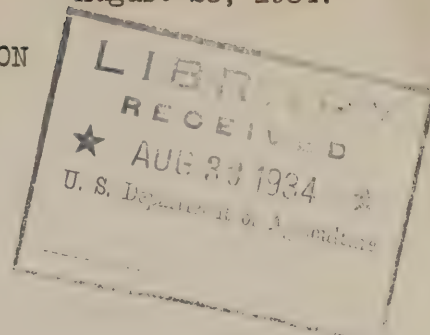
C. O. Pratt,
Administrative Assistant.

199
C. O. Pratt
#12

August 23, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum



A. NO RULINGS

B. PERSONNEL

1a. In field:

Mr. Miller

Mr. Ralls - Hogansville, Georgia

Mr. Camp - will arrive today

Mr. Thibodeaux - Making a circuit of State Allotment
Boards

Mr. Clark - with Mr. Thibodeaux

Mr. Crandall - working with Mississippi State
Allotment Board

Mr. Martin - working with Arkansas State Allotment
Board

b. Mr. Watkins arrived yesterday

C. OFFICE REGULATIONS

Each telegram prepared for the signature of the Secretary or the Administrator must be charged to the section in which it is prepared. The account symbol number of that section must be placed in the space provided for same in the upper right corner of the telegraph blank.

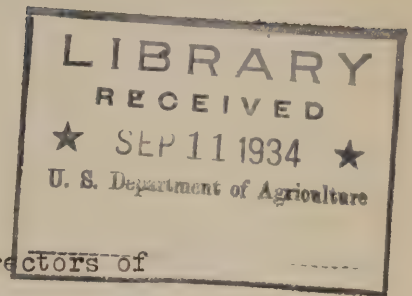
/s/ T. Weed Harvey,
Assistant to Administrator.

C. O. Pratt,
Administrative Assistant.

August 29, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum



A. RULINGS

The following telegrams were sent to the Directors of Extension:

July 28, 1934.

Cotton Section has requested ruling* that in cases of overplanting by a producer where the planted acreage does not exceed sixty five percent of the base acreage as finally approved, producers be permitted to request amendment to their contract together with a reduction in the rental payments, all of which reduction will be taken out of second payment. Suggest you advise agents that producers be given an opportunity to request such amendment of their individual contract as alternative to plowing up.

/s/ C. A. Cobb

August 27, 1934.

In addition to Cobb's telegram July twenty eight regarding amendment of contracts to permit overplanting not in excess of sixty five percent of previously approved base, we have suggested an amendment, which, if administratively approved,* will permit growers having base of five acres or less to request amendment of their contracts so as to adjust payments permitting such acreages less than five acres as they may have planted. This would entitle them to rental payments only on the acreage represented by the difference between acres actually planted and base acreage. This would apply only in case of contracts showing base acreage of five acres or less.

/s/ D. W. Watkins

*(Underlining supplied)

B. PERSONNEL

1. Men in the field:

Mr. Thibodeaux - Stillwater, Oklahoma.

Mr. Ralls - Hogansville, Georgia

2. Field men now in Washington:

Mr. E. R. Alexander)
Mr. E. C. Westbrook) Room 3971, Phone 2067

C. O. Pratt,
Administrative Assistant

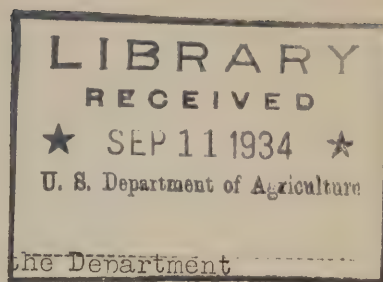
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August 31, 1934.

COTTON PRODUCTION SECTION

Internal Memorandum

Memorandum



In appreciation of the spirit in which the work of the Department has been carried on during the year, all employees, both in Washington and in the field, whose services can be spared, will be excused from duty on September 1, 1934. Employees on annual leave will not be charged with absence on that day.

/s/ R. G. Tugwell
Under Secretary.

A. INTERPRETATIONS

Creditors have a claim against cotton which cannot be delivered without bale tags attached. Bankhead Act in no way changes or qualifies such claims. Creditors do not have any claim on certificates. Illegal for producers to transfer certificates until after crop upon which certificates are issued has been ginned or until the fact of a surplus of certificates is determined. No objection to lenders filing loan list with county representatives as a matter of additional information to county offices in deciding whether producer has right to transfer certificates.

/s/ D. W. Watkins, Acting Chief

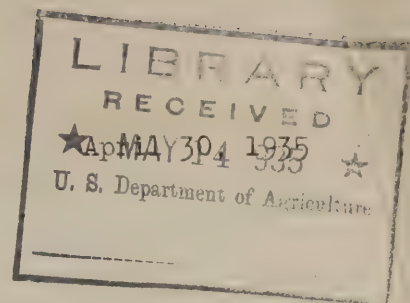
B. PERSONNEL

1. Mr. Watkins - Acting Chief
2. Men in the field:
 - Mr. Thibodeaux
 - Mr. Ralls - Hogansville, Georgia
3. Field men now in Washington:
 - Mr. E. R. Alexander)
 - Mr. E. C. Westbrook)Room 3971, Phone 2067

C. O. Pratt,
Administrative Assistant

DIVISION OF COTTON

Internal Memorandum

Memorandum

NOTE. -- These questions and answers have arisen out of problems referred to the Solicitor's office for an opinion. They are now prepared in this form for the information and convenience of the correspondents. Where a problem calls for a thorough discussion and the answer here does not seem to cover the case fully, it is suggested that a copy of the legal opinion be obtained from the files and reviewed so that a satisfactory answer may be given in all cases. It is asked that these legal opinions be used in accordance with the request in the Solicitor's memorandum of April 11. As new legal opinions are received they will be digested in a similar manner and copies distributed to the correspondents.

1. LEGAL OPINION NO. 1

- Q. What is the proper procedure to be followed in determining the right of an abandoned wife to receive rental payments due an absent husband under a 1933 cotton contract?
- A. Such cases should be handled by the Claims Unit, Comptroller's Office, of the Agricultural Adjustment Administration, with the cooperation of the office of the Comptroller of the United States.

2. LEGAL OPINION NO. 2

- Q. What is the proper procedure to be followed when a producer declines to receive his parity check because one or more of his tenants had moved to an unknown place and, consequently, full signatures could not be secured on Form No. Cotton 35?
- A. It is evident in such cases that the rights of other tenants are concerned in addition to the rights of the tenants who moved away, and to protect the rights of those tenants remaining on the farm, as well as to live up to his contract obligation, it is the duty of the producer to accept the parity check, distributing same in such proper pro rata amounts to the tenants remaining on the farm. The pro rata share of the departed tenants should be returned to the County Agent for transmittal to the Secretary of Agriculture as provided for in paragraph 3, "Certificate of Producer", Form No. Cotton 35. Then the producer can complete the signatures of the remaining tenants on Form No. Cotton 35.

3. LEGAL OPINION NO. 3

- Q. What is the proper method to use in effecting change of legal status?
- A. Form No. Cotton 8 must be filled out in triplicate. Instructions for Use and Execution of Form No. Cotton 8, Change of Legal Status, are contained in Form No. Cotton 105A.

4. LEGAL OPINION NO. 4

- Q. The question has arisen as to the proper disposition to be made of a benefit check when the contract signer abandons the farm after the receipt of the first payment and commits a fraud by selling the landlord's fourth of the crop and appropriates the funds derived therefrom.
- A. Such cases should be referred to the Claims Unit, Comptroller's Office of the Agricultural Adjustment Administration to be worked out with the cooperation of the office of the Comptroller General of the United States.

5. LEGAL OPINION NO. 5

- Q. The question has arisen as to the right of a mortgage holder to seize food or feed crops grown on acreage rented to the Government.
- A. The determination of the rights of the parties depends in part upon the law of the particular State relative to the rights of a lienholder to attach food or feed crops. In the event the lienholder cannot show that his rights are senior to the rights of the Secretary under the cotton acreage reduction contract, it may well be that the producer has grounds for defense against the seizure of crops grown on the rented acres. Also, if the crops seized are likely to be disposed of in a manner inconsistent with the provisions of the contract and the Administrative Rulings applicable thereto, it would appear that the producer has grounds for defense against the seizure of his crops. If the crop lien was senior to the Secretary's rights under the contract, or the crops seized are not likely to be disposed of in a manner inconsistent with the terms of the contract and the Administrative Rulings, it would seem that the lienholder may enforce his rights under the lien.

6. LEGAL OPINION NO. 12

- Q. Where a tenant renting for cash assigns to the landlord any and every amount or sum of money said tenant shall receive from the Government under the cotton acreage reduction contract, which sum shall be applied to the cash rental debt, may the landlord seize and appropriate the tax-exemption certificates issued in the name of the tenant?

- A. No. Tax-exemption certificates are personal property and issued certificates arising in transactions of this kind may not be diverted or seized by the landlord.

7. LEGAL OPINION NO. 16

- Q. The question has arisen concerning the rights of landlords to participate in the food or feed crops grown by tenants on acreage rented to the Government.

(a) Can a landlord exact a share of the crop grown on the rented acres for use of his equipment in lieu of the labor of the tenant as provided for in paragraph 7 of the contract?

(b) What is the exception as applied to 1935 in regard to permitting a landlord to receive rent for the use of rented acres?

- A. Generally speaking, if a landlord exacts from his tenant or crop-per cash or goods, or produce, or exacts a share of the crop or crops from the tenant upon the tenant's portion of the acreage rented to the Secretary, such landlord thereby commits a breach of the contract with the Secretary which would be sufficient grounds for canceling the contract and requiring the refund of the payments made thereunder by the Secretary.

(a) The landlord cannot exact a share of the crop grown on the rented acres for the use of his equipment in lieu of the labor of the tenant as provided for in paragraph 7 of the contract unless the tenant is willing and consents to such an arrangement.

(b) The exception permitting the landlord to receive rent for the use of rented acres in case of a diversion of corn or other crops to the rented acres by the tenant for the purpose of avoiding payment of the rent is covered by Administrative Ruling 27, Cotton 106.

8. LEGAL OPINION NO. 17

- Q. (a) Has a landlord who made payment to his share tenants upon the basis of his production rather than his acreage complied with his contract terms as to entitle him to an acquittance as to further liability to the Secretary for the distribution of the parity payment?

(b) May the Secretary accept the witnesses and the voluntarily given receipts of the tenants acquitting the landlord of further liability and in lieu of the formal receipt prescribed for by Form No. Cotton 35?

- A. (a) In the absence of fraud, duress, or undue influence exercised by the producer to procure a settlement from tenants or share

croppers on a basis other than that prescribed for by Form No. Cotton 35, the Secretary may waive this degree of performance.

(b) The Secretary may accept such reasonable evidence as is satisfactory to prove that the terms of settlement have been acquiesced in by the tenants or share croppers and acquittances voluntarily given.

9. LEGAL OPINION NO. 18

- Q. What is the proper procedure to be followed in cases where tenants cannot conveniently be contacted to secure their signatures on Form No. Cotton 35, 35a, and 35b?
- A. It is permissible in such cases for the producer to remit the proper sums to the tenants by checks, and the canceled checks are to be attached to the above-mentioned forms in lieu of the signatures of the tenants.

10. LEGAL OPINION NO. 19

- Q. What procedure must be followed in cases involving claims for benefit payments where the contracting producer has died?
- A. Such cases should be referred to the Claims Unit, Comptroller's Office of the Agricultural Adjustment Administration to be worked out with the cooperation of the office of the Comptroller General of the United States.

11. LEGAL OPINION NO. 22

- Q. (a) Must a producer who is a party to a 1934 and 1935 Cotton Acreage Reduction Contract entered into in 1934 plant cotton in 1935 on the farm covered by such contract in order to receive rental and parity payments for that year?
- (b) Must a producer plant the cotton acreage permitted under the contract?
- A. (a) It appears that the clear intent of the Agricultural Adjustment Administration was that rental and parity payments be made only to bona fide producers of cotton. By implication, the signer of an acreage reduction contract agreed to remove a certain percentage of his acreage from production and to plant the remaining acreage. This requirement may be abated if failure to plant cotton is caused by drought, flood, or the physical disability of the cotton tenant (which might be caused by pestilence) or the demonstrated inability to get any tenant or cropper to work on the farm in 1935. It should be left to the County Committee to determine the facts and recommend what disposition should be made of each case.

(b) Where a bona fide cotton producer has so operated his farm as to retain the normal number of tenants and croppers and afford them as good an opportunity to gain their livelihood through other crops as they would have had if all the permitted cotton acreage had been planted, it will not be required that the producer plant all of the acreage to cotton which he was permitted to plant, but he will be expected to plant a reasonable amount of his base acreage under the existing circumstances. In this connection, it must be borne in mind that the increase of other crops must not be in violation of paragraph 4 of Form No. Cotton 101 in the case of a contract for 1935 only, or in violation of paragraph 4 of Form No. Cotton 1 in the case of a contract accepted in 1934, both as interpreted in Administrative Ruling 20, Cotton 106.

12. LEGAL OPINION NO. 25

- Q. What is the procedure to be followed when a tenant is indebted to the producer for 1934 supplies and refuses to sign Form No. Cotton 35 unless his portion of the parity payment is paid in cash?
- A. The producer, if he is willing, could pay the tenant his proportionate share of the parity payment in cash without deduction for 1934 advances, obtain the latter's receipt of Form No. Cotton 35, and be in the same position to collect the amount of 1934 advances as if the cash had come into the tenant's possession from any other source, provided the amount so collected is in accord with the rule for deductions set forth in Form No. Cotton 35.

If the producer is unwilling to follow such course, he should submit to the County Committee under oath an itemized and dated statement of account, setting forth his claim for 1934 advances to the tenant, reckoned on the basis set forth in Form No. Cotton 35, and all credits to such account. The statement should also contain the name and address of the producer, the present address, or if this is not known, the last known address of the tenant, the contract serial number, and the number, date and name of payee shown in the parity payment check received by the producer.

Upon the submission to the County Committee of such a statement, the tenant, if his address is known or ascertainable, should be notified in writing of such submission and be given an opportunity to examine the statement. He should also be permitted to submit, under oath, his own statement of such account if he contends that the producer's statement thereof is in any respect incorrect.

If the County Committee is unable to effect a fair settlement between the producer and the tenant which will enable both to execute Form No. Cotton 35, they should forward to the State Adjustment Board the producer's account and the tenant's counter-statement, if any. The County Committee should also forward their own statement of the facts as ascertained by their investigation of the case, together with their own recommendations.

The State Adjustment Board should then consider the appeal and its decision in such cases will be final.

In the event the producer refuses to pay the tenant the amount which the State Adjustment Board determines that he should pay, the producer will be required to pay the Secretary twice the amount of such share of the parity payment, which sum, when collected from the producer, shall be paid to the tenant. In the event the tenant is dissatisfied with the final decision of the State Adjustment Board and refuses to sign Form No. Cotton 35, a cashier's check or a post office money order made payable to the Treasurer of the United States for the proper amount of such tenant's share, as determined by the State Adjustment Board, should be delivered to the County Agent by the producer, which sum shall be forwarded to J. M. Palmer, Assistant Disbursing Officer, Old Post Office Building, Washington, D.C. A part of this procedure is prescribed in paragraph 3, "Certificate of Producer", Form No. Cotton 35.

13. LEGAL OPINION NO. 28

- Q. Is a "Change of Legal Status", Form No. Cotton 8, necessary in case a farm was covered by a 1934 and 1935 Cotton Acreage Reduction Contract in 1934 and such farm has been, insofar as the 1935 operation is concerned, subdivided under Administrative Ruling 8, Cotton 106?
- A. It is not necessary to execute "Change of Legal Status", Form No. Cotton 8. Instead, a "Certificate of Subdivision", Form No. Cotton 116, should be prepared and new contracts entered into on Form No. Cotton 101 covering each subdivision of the farm.

14. LEGAL OPINIONS NOS. 36 AND 49

- Q. Shall a cash tenant or a managing-share tenant be required to execute a "Change of Legal Status", Form No. Cotton 8, with respect to a change for 1935 of such tenant on a farm covered by a 1934 and 1935 Cotton Acreage Reduction Contract which discloses on its fact that such tenant who signed the contract originally accepted was a tenant on the farm for 1934 only?
- A. The execution of a "Change of Legal Status", Form No. Cotton 8, is unnecessary in such cases.

15. LEGAL OPINION NO. 37

- Q. What action may be taken when producers refuse to sign for tax-exemption certificates on account of religious objections to signing Government documents?

- A. If the Assistant in Cotton Adjustment will certify that the certificates in question were delivered to and accepted by the share tenant or cropper in question, attaching certification to Form No. B.A. 104 or B.A. 122, as the case may be, such action on the part of the Assistant will be sufficient.

16. LEGAL OPINION NO. 38

- Q. When a farm under a cotton acreage reduction contract was worked by a managing-share tenant in 1934 and it was sold in the fall of 1934, and the new owner wishes to work it himself in 1935, how are the requirements of the rulings to be met when they say a farm must have the same status in 1935 that it had in 1934?
- A. On bona fide transfers the new owner may operate his farm and may become a party to the contract by submitting a "Change of Legal Status", Form No. Cotton 8.

17. LEGAL OPINION NO. 39

- Q. On farms acquired subsequent to the execution of 1934 and 1935 Cotton Acreage Reduction Contracts, is it necessary that a "Change of Legal Status", Form No. Cotton 8, be signed by the former owner, former tenant, the new owner and the new tenant?
- A. It is required that all persons interested in the contract who are withdrawing their interest, and all persons wishing to become parties to the contract, sign a "Change of Legal Status", Form No. Cotton 8, or a complete explanation be furnished for each necessary signature which cannot be obtained for a withdrawing party.

18. LEGAL OPINION NO. 41

- Q. Where Assistants in Cotton Adjustment or County Agents are subpoenaed to appear in court and produce certain contracts and information, shall such contracts and information be supplied?
- A. The policy of the Administration forbids the production in court of the records of Commodity Control Associations which are the property of the United States, except upon the express authority of the Secretary.

19. LEGAL OPINION NO. 54

- Q. Where a producer, through drought, flood, or pestilence, has his cotton crop destroyed after planting and then seeds the land in food or feed crops, should such producer be denied an allotment of tax-exemption certificates?

- A. The producer should be given tax-exemption certificates. His failure to produce a crop was due to natural causes and he should not be further penalized.

20. LEGAL OPINION NO. 58

- Q. What action should be taken in cases where farms are rented for cash and are covered by a cotton acreage reduction contract, but the renter makes no attempt to grow cotton and refuses to pay the cash rent to the landlord?
- A. The failure or refusal to pay the cash rent is a private matter to be dealt with by the landlord and his tenant. Such contract, however, may be subject to cancelation for violation since no cotton was planted in 1934 and the administration in its Cotton Acreage Adjustment Plan had no intention of making payments to persons who did not intend to plant cotton.

21. LEGAL OPINION NO. 62

- Q. What action should be taken where a tenant is denied by his landlord his pro rata share of tax-exemption certificates and the landlord stores the cotton in the seed and refuses to have it ginned or refuses to make proper settlement with the tenant?
- A. The landlord is subject to the penalty provided in Section 14(d) of B.A. 219 for making false statements for certificates (no mention was made of any tenant or share cropper). It is suggested before turning such cases over to the Department of Justice for prosecution that the landlord be apprised of his jeopardy and be given an opportunity to make an equitable adjustment with his tenant.

22. LEGAL OPINION NO. 68

- Q. May a landlord charge rent for a tenant house located on a farm covered by a cotton acreage reduction contract and occupied by a person who is not a tenant?
- A. The provisions of the contract impose no obligation upon the producer to refrain from collecting rent for houses available to him and not required in housing the normal number of tenants for the farm. However, to require a tenant to pay rent would constitute a violation of the express terms of paragraph 7 of the contract.

23. LEGAL OPINION NO. 70

- Q. Where an owner of a farm who signed a 1934 and 1935 Cotton Acreage Reduction Contract had two share-tenants on the farm in 1934

and sold the farm to a man who has a large family, who asserts he can cultivate the whole farm in 1935 by his own family, will such operation violate the contract?

- A. Such operation by the new owner will not violate the contract provided the new owner could and would operate the farm by the labor of his own family even though the cotton acreage was not reduced by reason of the contract. However, if the new owner's operation of the farm by his own family is made possible only by reason of the reduced cotton acreage under the contract, said contract would then be violated.

24. LEGAL OPINION NO. 51

- Q. Where a producer has several farms on which cotton was produced in 1934 and such farms were not covered by cotton acreage reduction contracts, and the producer purchased a farm in the fall of 1934 which is covered by a cotton acreage reduction contract for 1934 and 1935, must the newly acquired farm be continued under its 1934 and 1935 contract by the new producer and will such continuance compel the bringing in under the contract the other farms previously not under contract?
- A. Upon the execution of a "Change of Legal Status", Form No. Cotton 8, and the acceptance thereof by the Secretary, any person who is an interested party to the contract as producer or landlord of a managing-share tenant and entitled to rental and parity payments being made for compliance in 1935 with the terms of the contract is obligated not to plant cotton in 1935 on any other land owned, operated, or controlled by him unless such land is also covered by a cotton acreage reduction contract or a non-participating agreement.

25. LEGAL OPINION NO. 10

- Q. Does a cash tenant in 1934 have any insurance against the landlord's raising the rent on his farm for 1935, or any protection against an eviction for refusal to pay an unreasonable amount of rent for 1935?
- A. Administrative Ruling 24 (Cotton 106) is designed to deter a landlord from raising the rent charged a cash tenant as a means of diverting to himself indirectly a greater proportion of the benefit payments which according to the contract are to be paid to the tenant. Accordingly, if such a tenant had a lease for one year only and if the facts in any particular case show that the landlord has increased the rent in contemplation of the cotton acreage reduction contract as a means of indirectly diverting a larger proportion of its benefits to himself that he would otherwise receive, there would be a violation of the contract.

The ruling does not, however, amount to an absolute prohibition against the increasing of rent by reason of normal changes in the price level and other factors affecting rents generally so long as the increase does not constitute a device for circumventing the provisions of the contract. The administration of the ruling requires a determination of the facts in each case.

If the 1934 tenant had a lease for that year only, the same principles would apply with respect to the rent to be charged to a new tenant operating the farm in 1935. The contract is interpreted as not requiring the landlord to keep the same tenants but as nearly as possible the normal number of tenants of the same type. Accordingly, it involves no absolute prohibition against renting the land to a new tenant at a higher rent but merely requires the landlord to avoid adopting the increase of rent as a device for getting a larger proportion of the benefit payments.

26. LEGAL OPINION NO. 66

Q. (a) What procedure is necessary through which payment may be made of rental and parity payments accruing under a 1934 and 1935 Cotton Acreage Reduction Contract in cases where the producer who was a party to such contract as owner, cash tenant, standing or fixed-rent tenant, or managing-share tenant has died intestate (without making a valid will) before execution of the Certificate of Compliance?

(b) What procedure is necessary with reference to payments which have accrued under 1933 cotton plow-up contracts where the producers who signed such contracts have died intestate?

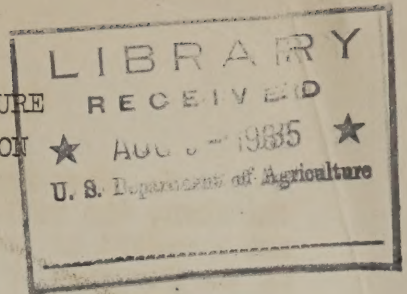
A. (a) The procedure to be followed in such cases is set out in paragraph 5(b) of "Instructions for Use and Execution of Form No. Cotton 8, Change of Legal Status" (Form No. Cotton 105A). The heirs who signed Form No. Cotton 8 or the persons whom they designate as their agents by properly executed powers of attorney may then sign Certificates of Compliance and the cases will be placed in line for payment.

(b) The procedure to be followed with reference to payments which have accrued under 1933 cotton plow-up contracts where the producers who signed such contracts have died intestate is stated in Comptroller's Decision CAAA-55, dated May 21, 1934. Under that procedure, if the amount of the payment is less than \$100, the next of kin of the deceased producer must execute Form No. Ccl-4 and submit same together with the check, if it has already been issued, to the Office of the Comptroller, Agricultural Adjustment

Administration. The amount due will then be paid in accordance with the laws of the State where the deceased producer was domiciled. If the amount due is more than \$100 it is mandatory that Form Ccl-4 be signed by a duly appointed administrator who must attach thereto a short certificate of letters of administration together with a showing that such letters are still in force and effect. However, the Claims Section of the Comptroller's Office advises that in cases where undue hardship would be caused thereby the submission of a certificate of letters of administration will not be required even where the amount of the payment is more than \$100.

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.



August 2, 1935

INTERNAL MEMORANDUM # 16

It is extremely desirable that the following procedure be carried out by members of the Division of Cotton in the preparation and submittal of all forms for printing, mimeographing, or multigraphing:

1. Contacts with the Correspondence, Printing and Document Section with reference to forms will be made by one member of the Division of Cotton. Because of the intermittent absence of Mr. Miller, Mr. Reynoldson has been designated to act by Mr. Cobb.

2. After the first rough draft is made of a tabular form it should be discussed with Mr. Reynoldson before final typing and setting up in the docket for the approval of the Secretary. A memorandum will then be submitted to Mr. Smith by the section requesting the particular form, giving the size of the form, the number of copies required, the distribution to the field, and any other necessary information.

3. Mr. Jernigan has been designated to take all dockets to the various offices for approval. He will make notations of any changes made in a docket en route to the Office of the Secretary for approval, reporting such changes to Mr. Reynoldson and Mr. Smith. He will make a report to Mr. Smith every evening as to the location of these various dockets.

4. When the Secretary approves any form, the copy for the Division of Cotton will be returned to Mr. Smith, through Mr. Jernigan, and turned over to Miss Walter for filing.

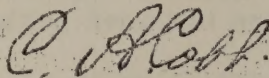
5. Requisitions for forms will be drawn up by Miss Knapp for printing, mimeographing, or multigraphing, initialed by Mr. Smith and by Mr. Reynoldson, signed by Mr. Cobb and then submitted to the Correspondence, Printing and Document Section.

6. Miss Knapp will keep a card index as to the number of the form, the title, date of the requisition, the number requested and a record of the reprints; a record of the receipt of the proofs in the Division of Cotton, date proof was returned to the Correspondence, Printing and Document Section, also the date of the approval by the Secretary.

7. Proofs as received by Mr. Smith will be given to Miss Colman for checking with the original copy. When the galley proof is received by the Division of Cotton, Mr. Reynoldson will contact the originator of the form as to its acceptability for final printing.

8. Mr. Jernigan will give a report to Mr. Smith every day as to how many forms have been distributed and to what States.

9. Requisitions for reprints will be submitted to Mr. Smith and approved by Mr. Reynoldson before requests for reprints are placed.



C. A. Cobb,
Director, Division of Cotton.